

Bridge Markets

21 JUL 2024

Context

FOREX MARKET

- Biden's Exit from Race Creates Market Volatility Ahead of Elections
- ECB's Rate Cut Path Uncertain Amid Inflationary Pressures
- A Dangerous Dive into Regulatory Overreach

Commodities

- Gold Soars on Rate Cut Bets, But Inflation Concerns Looms
- LNG's Emissions Challenge: A Race Against Time
- Oil Prices Struggle Amid Dollar Strength and Chinese Demand Concerns

CRYPTO MARKET

- Trump's Shift: From Crypto Critic to Industry Supporter
- Tokenization: A New Era of Asset Management
- Telegram Bridges the Gap Between Web2 and Web3
- China's Digital Yuan: A Centralized Step into the Future

Our platform

- Investors Plan
- As a Manager
- Co-Founding Programs
- Organizational Deals
- As an AI/Software Expert
- As a Strategist
- Platform Joint Venture
- As a Signal Provider

Trusted Platforms

- MetaTrader
- TradingView
- cTrader
- Axi Financial Services
- Pepperstone
- Robinhood Broker
- MultiBank Group
- IG Broker
- Forex.com Broker
- FXCM Broker
- XM Global
- FP Markets Broker

FOREX MARKET

Biden's Exit from Race Creates Market Volatility Ahead of Elections

President Joe Biden's withdrawal from the presidential race and his endorsement of Vice President Kamala Harris as the likely Democratic nominee for the upcoming elections has introduced political uncertainty, impacting financial markets. While Harris has strong party support, the muted responses from prominent Democrats have raised concerns, contributing to a slight decline in the U.S. dollar against six major currencies. Meanwhile, gold, a safe-haven asset, has seen a slowdown in its downward trend. The Japanese yen has appreciated against the dollar, driven by expectations of a Federal Reserve rate cut and the Bank of Japan potentially tightening its monetary policy. As the political landscape shifts, the dollar index has dipped, indicating market uncertainty, with upcoming polls expected to shape the dollar's trajectory. If Harris's candidacy is perceived to lower Trump's chances of winning, the dollar's weakness may persist, as Trump has historically favored strong dollar policies that could bolster the currency if he returns to office.

ECB's Rate Cut Path Uncertain Amid Inflationary Pressures

European Central Bank (ECB) policymakers are uncertain about the possibility of two more interest rate cuts this year due to persistent inflation pressures. After over-promising rate cuts in June while inflation was rising, officials are cautious about signaling a guaranteed cut in September. President Christine Lagarde stated that the decision for the upcoming meeting on September 12 remains "wide open," with reliance on new data after an eight-week pause. This cautious stance has led traders to lower expectations for rate cuts, resulting in a slight rise in 10-year German bond yields and a partial recovery of the euro. While weak economic performance in the second quarter could support a rate cut, ongoing inflation in the services sector complicates matters. Despite mixed signals, the possibility of two cuts by year-end is not entirely off the table. The ECB's future actions will depend on how economic data evolves, with the September decision being crucial for shaping monetary policy for the rest of the year.



A Dangerous Dive into Regulatory Overreach

Policymakers from both major U.S. political parties are proposing harmful regulations on retail investment funds based on the flawed "common ownership" theory, which claims that significant minority stakes in major companies reduce competition and harm consumers. However, numerous studies have disproven this theory, showing no evidence of decreased competition or higher prices, including a 2017 study that contradicted earlier findings on the airline industry. Despite this, regulators like the Federal Energy Regulatory Commission and the Federal Deposit Insurance Corporation are considering limits on these funds' holdings in utilities and banks, while the Federal Trade Commission is exploring new restrictions that could reduce investor returns. Such measures threaten the benefits of retail investment funds, which have helped improve retirement savings by lowering fees and expanding options. Regulators should focus on evidence-based policies rather than discredited theories that could harm everyday investors.

Commodities



Gold Soars on Rate Cut Bets, But Inflation Concerns Looms

Gold has been supported by falling yields and a weakening U.S. dollar, reaching a new all-time high of \$2,470 on Tuesday, although it faced resistance around \$2,480 on Wednesday. The softer CPI data from last week fueled the rally, with markets pricing in a 98% chance of a 25 basis point rate cut by the Federal Reserve in September. This marks a shift from earlier predictions that anticipated multiple rate cuts by now, as higher rates dampened gold's appeal in the second quarter amid reduced geopolitical tensions. With rate cuts back on the table, demand for gold has resurfaced, as lower rates decrease the opportunity cost of holding the non-yielding asset. However, concerns about persistent inflation may limit the Fed's willingness to cut rates, making the upcoming July meeting crucial for insights into potential September cuts. Currently, the technical outlook for gold (XAU/USD) remains bullish, with the RSI indicating further upward potential, though some selling interest suggests the possibility of a technical correction after reaching a new high. Overall, gold's downside appears limited, but any reluctance from the Fed to cut rates could dampen bullish sentiment.



LNG's Emissions Challenge: A Race Against Time

The rising role of liquefied natural gas (LNG) in global energy since the Russia-Ukraine war has intensified scrutiny on greenhouse gas emissions across its value chain, particularly from methane leaks, which are far more potent than carbon dioxide. Measuring these emissions is challenging due to varying leakage rates, complicating comparisons with alternatives like coal. The industry is exploring solutions such as advanced methane monitoring technologies, carbon capture and storage (CCS), and carbon offsetting, though transparency in offset markets is crucial for credibility. Additionally, cleaner shipping fuels are expected to further reduce emissions from LNG transport. Effective emissions reduction strategies will be essential for LNG's future in the energy transition.



Oil Prices Struggle Amid Dollar Strength and Chinese Demand Concerns

Oil price action has been choppy, influenced by U.S. dollar fluctuations, concerns over Chinese demand, and expectations of a tighter global oil balance in the third quarter. Brent crude settled below \$85 per barrel, with dollar strength and worries about Chinese demand being the primary drivers. Recent data from China painted a bearish picture, as second-quarter GDP growth was 4.7%, below the expected 5.1%. Additionally, refinery activity declined further in June, with processing rates down 3.7% year-on-year. China's apparent oil demand also fell to approximately 13.7 million barrels per day in June, the lowest since February 2023.

• CRYPTO MARKET

• **Trump's Shift: From Crypto Critic to Industry Supporter**

In 2019, Donald Trump criticized cryptocurrencies for their perceived reliance on "thin air" and potential criminal uses. However, as he campaigns for a second presidential term, his stance has shifted, now showing support for the crypto industry amid significant financial backing from it. This change follows an assassination attempt on July 13 and a rise in his political fortunes, leading to hopes for a more lenient regulatory approach. Trump's evolving policies suggest a focus on promoting Bitcoin mining in the U.S., protecting self-custody of cryptocurrencies, and opposing central bank digital currencies (CBDCs). His alignment with crypto figures, like the Winklevoss twins, and interactions with Bitcoin miners signal a robust engagement with the industry, which hopes his pro-crypto stance will appeal to younger voters. Despite ongoing market uncertainties, the crypto sector is optimistic that a Trump administration could reduce regulatory pressures and improve its relationship with federal authorities.

Tokenization: A New Era of Asset Management

Blockchain technology and asset tokenization are revolutionizing asset management and transfer. By converting physical and intangible assets into digital tokens on a blockchain, tokenization enhances liquidity, accessibility, and security across various sectors, including real estate, commodities, intellectual property, and art. This model enables fractional ownership, simplifies transactions, and increases transparency through smart contracts. Vigen Badalyan's AKNEYE project exemplifies this shift by merging traditional sculpture with NFTs, showcasing how tokenization can impact different asset classes. In real estate, it democratizes investment and facilitates secondary market trading, while companies like TradeCloud and Paxos are pioneering tokenized trading in commodities. Additionally, tokenization improves intellectual property management and addresses provenance issues in art, enhancing authenticity and audience engagement in both physical and virtual environments.



Telegram Bridges the Gap Between Web2 and Web3

The convergence of Web2 and Web3 is exemplified by Telegram's integration with the TON blockchain, creating a pathway for broader Web3 adoption. With a user base of 900 million, Telegram enables seamless access to TON's blockchain features without requiring users to download new software. Although TON was initially developed as part of Telegram, regulatory issues prompted their separation, and now the TON Foundation manages the blockchain, leveraging Telegram's reach. The recent launch of USDT on TON allows Telegram users to send and withdraw the stablecoin for free, embedding blockchain into daily use. Key to this integration are Telegram's mini-apps (TMAs), lightweight services that operate within the messaging interface, applicable to various uses, including shopping and banking. The popularity of games within the TON ecosystem, like Notcoin and Hamster Kombat, further enhances user engagement. This positions Telegram to evolve into a super-app, similar to WeChat in China, while remaining platform-agnostic and welcoming diverse Web3 developers, ensuring flexibility and compliance.



China's Digital Yuan: A Centralized Step into the Future

The Digital Yuan, or e-CNY, is China's retail Central Bank Digital Currency (CBDC), issued by the People's Bank of China (PBoC) to replace cash and facilitate transactions for individuals, maintaining a 1:1 peg to the Yuan and bearing no interest. Currently accessible in 29 pilot areas, it can be used with select merchants and public transit, with foreign visitors able to onboard through Alipay and WeChat Pay. Unlike decentralized cryptocurrencies like Bitcoin, the e-CNY requires personal identifiers and operates on a centralized ledger, with transaction data selectively released, raising privacy concerns. Adoption has been slow compared to popular digital payment systems, with the e-CNY accounting for just 0.16% of China's total monetary volume. Additionally, China is working on Project M-Bridge with the BIS Innovation Hub for wholesale CBDCs aimed at enhancing cross-border transactions. Overall, the Digital Yuan aligns with China's goals of financial stability, technological leadership, and increased international influence.

Our platform

- **1. Co-Founding Programs**

Shape the future of finance by joining our Co-Founding Programs. We're looking for visionary partners who are ready to bring innovative ideas to life. As a co-founder, you'll collaborate closely with us, sharing in both the challenges and rewards of building something great. Whether you have a groundbreaking concept or are looking for a strategic partner, our Co-Founding Programs offer the support and resources you need to succeed. Let's create something extraordinary together!



- **2. As a Signal Provider**

Turn your trading expertise into profit by becoming a Signal Provider with us. Share your trading signals with a broad audience, gain visibility, and earn competitive rewards. Whether you focus on forex, stocks, or crypto, our platform offers the perfect environment to showcase your skills. Join our Signal Provider program today and start making an impact!



- **3. Platform Joint Venture**

Take your business to the next level by partnering with us through a Platform Joint Venture. Whether you're developing financial technology or a new market solution, our platform provides the resources and network needed for growth. Together, we'll create innovative products and expand your reach in the financial world. Let's collaborate on a joint venture today!



- **4. As a Manager**

Take the lead and drive success by joining our team as a Manager. We're looking for experienced professionals to oversee operations, guide teams, and execute high-impact strategies. As a Manager, you'll be instrumental in shaping our growth and ensuring smooth performance across projects. Ready to take on a leadership role? Apply now and make a difference!



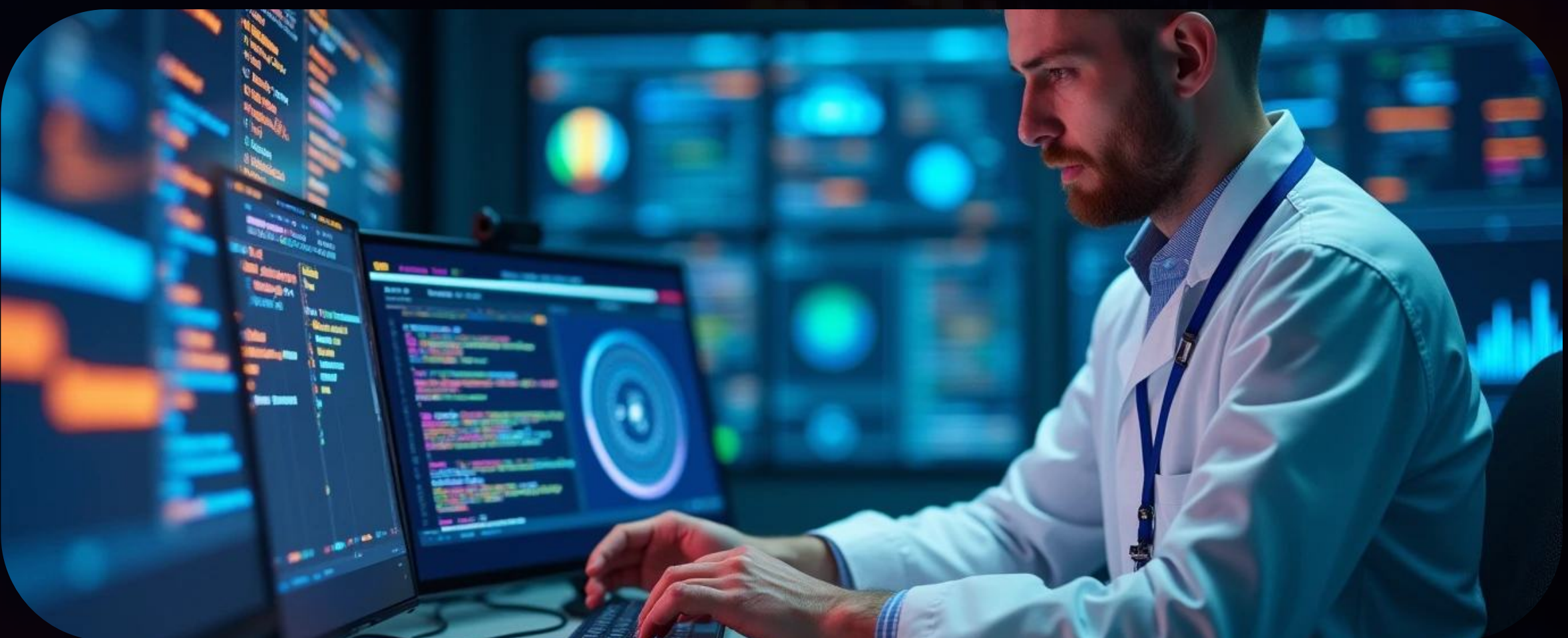
- **5. Investors Plan**

Achieve your financial goals with our Investors Plan. Tailored to your risk tolerance and objectives, this plan provides you with expert guidance and diversified investment opportunities. Whether you're a seasoned investor or just starting out, our Investors Plan helps you grow your wealth securely and strategically. Start planning your financial future today!



- **6. As an AI/Software Expert**

Are you a tech-savvy professional with expertise in AI and software development? Join us as an AI/Software Expert, where you'll work on groundbreaking projects that blend finance and technology. Bring your skills to the forefront, contribute to innovative solutions, and help revolutionize the trading industry. Apply now and be part of the future of finance!



- **7. As a Strategist**

Share your market expertise by joining us as a Strategist. We're seeking professionals who can develop and implement high-performing trading strategies. As a Strategist, you'll collaborate with our team to optimize trading performance and contribute to client success. If you're passionate about finance and strategy, we want you on our team!



- **8. Organizational Deals**

Leverage exclusive opportunities with our Organizational Deals, designed for institutions and large businesses. We offer tailored financial solutions, including investment packages and trading strategies that cater specifically to your organizational needs. Partner with us to boost your company's financial performance and reach new heights. Explore our Organizational Deals today!



Fuel your passion, ignite your purpose—join us now!

Trusted Platform



MetaTrader 5

- **1. MetaTrader**

MetaTrader, developed by MetaQuotes, is a leading trading platform offering real-time access to Forex, commodities, and other markets. Known for its user-friendly interface and robust tools, it supports both manual and automated trading through Expert Advisors, catering to traders of all experience levels.

TradingView

- **2. TradingView**

TradingView is a powerful charting platform and social network for traders, providing real-time data, advanced charting tools, and a collaborative environment. Its intuitive interface and ability to integrate with brokers make it a favorite among both retail and professional traders.



cTRADER
TRADERS FIRST

- **3. cTrader**

cTrader is a professional trading platform known for its fast execution speeds and advanced charting tools. Designed for both novice and experienced traders, it supports automated trading through cAlgo and offers transparency with Level II pricing and market depth views

The logo for Axi, featuring the word "axi" in a bold, lowercase, red sans-serif font.

- **4. Axi Financial Services**

Axi, formerly AxiTrader, is a global Forex and CFD broker offering competitive spreads and fast execution. With access to over 140 trading instruments and a focus on customer support and education, Axi caters to traders of all levels through its reliable MetaTrader 4 platform.

The logo for Pepperstone, featuring a blue shield-like shape with a white letter 'P' inside, followed by the word "pepperstone" in a bold, lowercase, black sans-serif font.

- **5. Pepperstone**

Pepperstone is a leading online broker known for its low-cost trading, fast execution, and access to a wide range of markets, including Forex, indices, and commodities. Supporting MetaTrader and cTrader, Pepperstone offers a robust trading experience for both retail and institutional clients.

The logo for Robinhood, featuring the word "Robinhood" in a bold, black, sans-serif font, followed by a black silhouette of a quill pen.

- **6. Robinhood Broker**

Robinhood is a commission-free trading platform that democratizes finance, making investing accessible to everyone. With a user-friendly app, Robinhood offers trading in stocks, ETFs, options, and cryptocurrencies, attracting millions of users with its no-fee structure.

MultiBank Group

EST. 2005

- **7. MultiBank Group**

MultiBank Group is a major financial derivatives provider offering trading in Forex, metals, shares, and cryptocurrencies. Known for its competitive pricing and regulatory oversight, MultiBank provides a secure trading environment with advanced platforms like MetaTrader 4 and 5.

IG

- **8. IG Broker**

IG is a global leader in online trading, offering access to over 17,000 markets, including Forex, indices, and commodities. With innovative trading platforms, comprehensive educational resources, and strong regulatory backing, IG caters to both retail and institutional traders.

FOREX.com

- **9. Forex.com Broker**

Forex.com, part of GAIN Capital, is a top Forex and CFD broker providing access to a wide range of markets with competitive spreads. It offers advanced trading platforms like WebTrader and MetaTrader, supported by comprehensive educational tools and dedicated customer service.



- **10. FXCM Broker**

FXCM is a trusted online Forex and CFD trading platform known for its transparency and innovation. Offering multiple platforms like Trading Station and MetaTrader, FXCM provides access to various markets, fast execution, and extensive educational resources for traders.



- **11. XM Global**

XM Global is a reputable Forex and CFD broker offering access to a broad range of trading instruments. Known for competitive spreads and a no-requote policy, XM supports MetaTrader 4 and 5 platforms and provides extensive educational resources and customer support.



- **12. FP Markets Broker**

FP Markets is an established Forex and CFD broker providing access to over 10,000 instruments. With competitive pricing, fast execution, and support for MetaTrader 4, 5, and IRESS platforms, FP Markets caters to both retail and institutional traders worldwide.



Bridge Market

BRIDGE.MARKETS